

MINUTES

MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON EDUCATION AND CULTURAL RESOURCES

Call to Order: By **CHAIRMAN BILL GLASER**, on April 4, 2001 at 3:20 P.M., in Room 405 Capitol.

ROLL CALL

Members Present:

Sen. Bill Glaser, Chairman (R)
Sen. John C. Bohlinger (R)
Sen. Edward Butcher (R)
Sen. Jim Elliott (D)
Sen. Alvin Ellis Jr. (R)
Sen. Sam Kitzenberg (R)
Sen. Debbie Shea (D)
Sen. Mike Sprague (R)
Sen. Mignon Waterman (D)

Members Excused: Sen. Jack Wells, Vice Chairman (R)
Sen. Dale Berry (R)
Sen. John Cobb (R)
Sen. Jon Ellingson (D)
Sen. Don Ryan (D)

Members Absent: None.

Staff Present: Linda Ashworth, Committee Secretary
Eddy McClure, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 625, 3/30/2001; SJR 19,
3/30/2001

HEARING ON HB 625

Sponsor: REP. JOHN MUSGROVE, HD 91, Havre

Proponents: Madalyn Quinlan, Office of Public Instruction

Lance Melton, Montana School Boards Association
Loran Frazier, School Administrators of Montana
Tom Billadeau, Montana Education
Association/Montana Federation of Teachers
Dave Puyear, Montana Rural Education Association
Geoff Feiss, Self, Helena

Opponents: None

Opening Statement by Sponsor:

REP. JOHN MUSGROVE opened on HB 625, stating that the bill would create an interim committee to study the adequacy and equity of programs, services and funding for K-12 public schools in Montana. **REP MUSGROVE** referred to page 3, informing the committee that the appropriations had been struck from the bill. He instructed that page 15, section 40-65 of the Code Book, stated, "without appropriations, a house bill for an interim study can not be sent to the Governor even if it has passed both houses of the legislature". He requested that the committee appropriate funds for the study.

{Tape : 1; Side : A; Approx. Time Counter : 0 - 5}

Proponents' Testimony:

Madalyn Quinlan, Office of Public Instruction, narrated that the bill had been requested by the Office of Public Instruction and the members of the Education Forum. She reiterated the need to evaluate the current school funding formula. **Ms. Quinlan** reasoned that the current funding formula, which is based on enrollment, had resulted in significant cut-backs in services and school programs over the past five or six years. A K-12 funding committee would study the adequacy and equity of funding for public schools. She referred to page two of the bill when discussing the topics for study. She maintained the make-up of committee members would include an eleven member cross-section of Montana citizens.

Lance Melton, Montana School Boards Association, concurred with the make-up of the committee. He voiced concerns that the make-up of the committee had been fashioned after the local government committee from the last session, which had not proven to be successful.

Loran Frazier, School Administrators of Montana, rose in support of HB 625, reminding the committee that ten years had passed since the passage of HB 667. He reasoned that any program should

undergo a study after a decade. **Mr. Frazier** encouraged the committee to fund the study.

Tom Billadeau, Montana Education Association/Montana Federation of Teachers, rose in support of HB 625, contending that the current legislature should take responsibility for the bill. He argued that the original \$45,000 appropriation should be reinserted, since a committee would not operate effectively with zero funding.

Dave Puyear, Montana Rural Education Association, echoed previous concerns and testimony in support of HB 625. He felt the make-up of the committee should be broadened.

Geoff Feiss, representing himself, avowed support for HB 625. He encouraged the committee to include a lay person on the interim committee. He cited his belief that the issue of statutes and regulations, that inhibit the flexibility of running schools should be added to the study.

{Tape : 1; Side : A; Approx. Time Counter : 5 - 15}

Opponents' Testimony: None

Informational Testimony:

Mike Barrett, representing himself, addressed issues he felt were important to education.

Questions from Committee Members and Responses:

SEN. JIM ELLIOTT questioned the plan by **Mr. Feiss** to include lay people on the board, citing his belief that they would not contribute to technical concerns of education. He stated his concerns that they would not be experts in the subject and would take on the opinions of the experts. **Mr. Feiss** contended that members of school boards did not always submit to the wishes of the superintendent and a mixture would be constructive. **SEN. ELLIOTT** agreed that lay people would bring a taxpayer's perspective to the committee.

SEN. MIGNON WATERMAN wondered if the chairman of the interim committee should be an employer. She recollected that commissions of major education reform in other states had been headed by business people. **Mr. Feiss** cited his belief that education should be tailored more toward the workplace and involve employers in the process.

SEN. WATERMAN queried whether **REP. MUSGROVE** would approve of the expansion of the study. **REP. MUSGROVE** reported the changes in the bill were inserted by the appropriations committee. He recommended the committee be allowed to choose the chairman from a consensus standpoint.

SEN. WATERMAN wondered how the study would be completed, suggesting that the funding was eliminated as the study was expanded. **REP. MUSGROVE** petitioned the committee to reinstate the funding into the bill which would allow it to move forward.

CHAIRMAN BILL GLASER clarified that the bill could not move forward without an appropriation. He queried whether **REP MUSGROVE** would have a problem inserting the bill into SJR 19. **REP. MUSGROVE** related that the study would be of utmost importance and he would not have a problem with any change that would allow it to move forward.

SEN. ELLIOTT differed with the idea of placing a businessman as the chairman of the committee, contending that it would not be the sole purpose of education to produce employable people. **Mr. Billadeau** agreed, citing his wish that a layperson not be the chairman of the committee.

{Tape : 1; Side : A; Approx. Time Counter : 15 - 29}

Closing by Sponsor:

REP. JOHN MUSGROVE closed on HB 625. He contended the study would allow the dollars spent on education to be spent more effectively.

{Tape : 1; Side : A; Approx. Time Counter : 29 - 32}

HEARING ON SJR 19

Sponsor: **SEN. SAM KITZENBERG, SD 48, Glasgow**

Proponents: **Lance Melton, Montana School Boards Association**
Dave Puyear, Montana Rural Education Association
Loran Frazier, School Administrators of Montana
Tom Billadeau, Montana Education
Association/Montana Federation of Teachers

Opponents: **None**

Opening Statement by Sponsor:

SEN. SAM KITZENBERG opened on SJR 19. **SEN. KITZENBERG** submitted written testimony, **EXHIBIT(eds76a01)**. He narrated that **Eddy McClure** had amendments that would pull ideas from HB 625.

{Tape : 1; Side : B; Approx. Time Counter : 0 - 3}

Proponents' Testimony:

Lance Melton, Montana School Boards Association, rose in support of SJR 19 in terms of strategy and substance. He reminded the committee that funding of SJR 19 could fall by the wayside due to prioritization of different studies.

Dave Puyear, Montana Rural Education Association, avowed support for an interim funding study, arguing that the current funding system was dysfunctional and confusing causing a tremendous hardship on schools in the state. He warned that there were dark clouds on the horizon that the resolution would begin to address. He reported that 1276 positions would be opening in education with a maximum number of 900 graduates from Montana schools.

Mr. Puyear professed that the Montana system was not getting the job done, since it was extremely complex and impossible to explain. He maintained the funding study would be the crux of addressing the priorities and changes across the state.

Loran Frazier echoed previous testimony in his support for SJR 19.

Tom Billadeau, MEA/MFT pronounced support for SJR 19, recommending that many of the provisions from HB 625 be incorporated into the joint resolution.

{Tape : 1; Side : B; Approx. Time Counter : 3 - 6}

Opponents' Testimony: None

Informational Testimony: None

Questions from Committee Members and Responses:

SEN. WATERMAN recited her concerns with the number of issues involved in education. She wondered if the study should be expanded to include other issues facing education besides the funding formula. **SEN. KITZENBERG** agreed with **SEN. WATERMAN**, reminding her that he had introduced several bills that had addressed the other issues facing education.

SEN. JOHN BOHLINGER wondered where **Mr. Puyear** had obtained the figures concerning teacher shortages. **Mr. Puyear** verified that the information had been obtained from a study by Dr. Dory Burns Nelson, entitled "**Who Will Teach Montana's Children**".

SEN. BOHLINGER questioned how much money would be needed to create teaching jobs that would be attractive to Montana graduates. **Mr. Puyear** indicated the money being offered to graduates was \$10,000 less than other states.

SEN. BOHLINGER queried whether salaries should be raised \$10,000. **Dave Puyear** responded that many graduates are realizing \$10,000 in immediate income as they leave the state. He maintained the climate of the entire funding system in Montana has evolved into a "mean" system.

SEN. BOHLINGER asked if administrators would be forced to close schools if funds continued to decrease. **Mr. Puyear** maintained the first step in the process would be an attack on the quality of the instruction across the state. He cited his belief that rural districts would do anything to maintain their schools.

SEN. ED BUTCHER wondered how many teachers were currently teaching in the state. **Madalyn Quinlan** reported that 12,000 teachers were currently employed in the state.

SEN. BUTCHER postulated that 10% of the positions would be open. **Mr. Puyear** reminded **SEN. BUTCHER** of the numbers cited by Dr. Dory Burns Nelson.

SEN. BUTCHER wondered how many teaching positions would be eliminated across the state due to budget cuts. **Madalyn Quinlan** estimated that 400 positions would be cut.

SEN. BUTCHER argued that 30% of all funds spent on education went to teachers. He figured that one-third of the 1200 vacancies in the state would be laid off, leaving 800 vacancies to be filled. He suggested that superintendents should be cut before classroom teachers. **Mr. Puyear** reasoned that superintendents in rural Montana were doing many different jobs in small communities other than maintaining budgets. He proclaimed that superintendents were leaving the state because the "big sky dividends" were not doing it anymore.

SEN. BUTCHER wondered if the study should include accreditation issues that require non-productive education. He suggested that no one at the Office of Public Instruction had ever educated a child. He felt the committee should look at the bureaucracy and

the funding that goes to the child in the classroom. **Mr. Puyear** asked the question be deferred to **Madalyn Quinlan**. **Ms. Quinlan** referred to the 36% figure that had been used frequently throughout the session. She reported that salaries for instructions, without benefits, came to 39%; salaries and benefits equaled 51%; guidance counselors, librarians, audiologists, and speech pathologists would raise the cost to 56%; adding superintendents, principals, and business managers increased the costs to 65%; and bus drivers, clerks, coaches, and activity directors would bring the total to 75%. She repeated that 75% of all school expenditures went to salaries and benefits for all school personnel.

SEN. BUTCHER suggested that some of the analysts be fired since they could not figure this out. **Ms. Quinlan** referred to charts appearing in various committees, asserting that they looked at a thirty year trend in education without looking at the benefit side, which was part of the employment package. She asserted that the benefit package today was greater than the package in the sixties.

CHAIRMAN GLASER asked **Clayton Shenk, Fiscal Analyst Division**, to surmise why the money was removed in the House. **Mr. Schenk** suggested that House Appropriations did not take the funding rule into consideration before removing the money from the bill. The funding issues would be different between the \$50,000 study in the bill and the resolution, which would need to be prioritized for a share of a larger pot of money. He also stated the make-up of the committee would be different between the bill and the referendum. **Mr. Schenk** also suggested that one funding option would be to accept donations.

{Tape : 1; Side : B; Approx. Time Counter : 6 - 28}

Closing by Sponsor:

SEN. SAM KITZENBERG closed on SJR 19. He cited his belief that the study offered in HB 625 would be the best of the two choices.

{Tape : 1; Side : B; Approx. Time Counter : 28 - 42}

DISCUSSION

CHAIRMAN GLASER hypothesized his feelings that the money would not be available to fund HB 625. He indicated he would prefer to broaden SJR 19 to include the positive aspects of HB 625.

SEN. WATERMAN enjoined that she would prefer going with HB 635, believing it would be broader. She maintained the study should

be more than a legislative study, which would be prioritized along with energy and taxation. She requested **Eddy McClure** work with Jim Standards or Clayton Shenk to develop a realistic estimate of the cost of a thorough study.

CHAIRMAN GLASER wondered about the possibility of donations to fund the study.

SEN. BUTCHER asked if anyone had seen the list of potential interim committee members. **CHAIRMAN GLASER** suggested the list was very long. **SEN. BUTCHER** queried if there would be other interim education study committees. **CHAIRMAN GLASER** answered that HB 625 and SJR 19 were the only two studies available.

SEN. BOHLINGER added his opinion that the committee put a stamp of approval on some mechanism to accomplish a study. He endorsed the suggestion of **SEN. WATERMAN** that HB 625 would be the way to go.

SEN. ALVIN ELLIS maintained the study should include territory transfer. He asked that the money be appropriated to fund the study.

SEN. BUTCHER asserted that a study should be all encompassing and broader than SJR 19. He purported the study would need adequate funding and a cross-section of people in order to pass the suggestions through the legislature.

{Tape : 2; Side : A; Approx. Time Counter : 0 - 6}

ADJOURNMENT

Adjournment: 4:32 P.M.

SEN. BILL GLASER, Chairman

LINDA ASHWORTH, Secretary

BG/LA

EXHIBIT (eds76aad)